

Chairman Richard E. Neal  
Ways and Means Committee Democrats  
US House of Representatives  
1102 Longworth House Office Building  
Washington, D.C. 20515

*Re: Acknowledging the Burgeoning Retirement Crisis*

Chairman and Distinguished Members of the House Ways and Means Committee,

I am an employee of thirty years for UPS and am writing to highlight and denote recent events and their effect on thousands of workers impacted by the MPRA.

The recent suit filed by three (3) New York UPS retirees challenging the constitutionality of recent MPRA benefit reductions does not include *active* UPS employees or recovery of property for said actives who have taken 18% cuts (and over 13% previously) in the recent wave of reductions/cuts carried out by the New York State Teamsters Pension Fund ("NYSTPF" or "The Fund").

The Fund's highest contributor is UPS; its full-time workers have taken individual cuts so far (since 2010) exceeding \$200,000 over a lifetime of future benefit payments. These cuts **do not** include the additional 18% MPRA reduction when one eventually does retire. Since 2010, wage deferrals have cost full timers over \$30,000 in take home pay. Each year going forward, active UPS employees will take a 1.0% to 1.5% cut on their future accrued benefit, and a 5% wage deferral adding to their \$200,000 loss.

The NYSTCPF has admitted to the U.S Treasury that 80% of money contributed by UPS active employees will fund retiree and non-active participants. Yearly, over \$30,000 is contributed by UPS for every active UPS employee in the fund. Of that, they will receive \$100.00 (many believe this amounts to nothing less than a Ponzi Scheme with UPS and IBT approval.) Some workers enrolled within the Fund whose employers have bankrupted or have successfully dodged their withdrawal liabilities from the Fund have escaped with marginal cuts. How on earth is this fair?

The rush to cuts has negatively affected thousands of households all-ready, adding grief and anxiety to active UPS families once guaranteed and promised a secure retirement...the literal essence of a pension. Now they are forced to contemplate longer years of service, with additional cuts all but inevitable (at the time of this correspondence the fund is only 37%funded). Once the Fund's MPRA application for

cuts was approved in 2017 retirees across New York received a notice in the mail from the NYSTPF: steps on how to *return* to the workforce to face this new contingency; their years of service dismissed and marginalized. This is a disgrace.

Despite multiple attempts to impress upon Treasury the facts about the Fund revealed in an independent forensic audit, it acted on behalf of the Fund's trustees; mostly comprised of individuals who would otherwise be "orphans" from shuttered companies. In fact, Treasury went so far as to *coach* the Fund, advising it to withdraw its first application in order to gain approval, setting a new low standard. No such coaching was provided for the recipients of these cuts. When mixed with head-shaking rules for voting on the cuts imposed on the members vis a vis the MPRA what has resulted is nothing short of a scandal. It is an outrage.

Recent events have added to the myriad of problems UPS workers nationwide face. UPSers across the country watched as a national labor contract that they voted down was ratified nonetheless-much in the way the MPRA application was approved. We recognize that reporting this may fail to resonate with certain ideologies and perspectives, but in whole it paints a better picture of the dilemma. Ask a UPSer who is in their corner, you'll get a shrug of the shoulders.

To everyone within the Fund's responsibility, active and retiree, who made the *life choice* to work for UPS, a highly stressful and demanding job, the promise of a good retirement is now most certainly in jeopardy. In America, that should not be allowed to happen. It is our hope you will all collectively agree.

Please consider these points while continuing your efforts in committee.

Sincerely,

Scott A. Dickinson

February 20, 2019

Troy, New York